

CONTROL/
US OFFICIALS ONLY

CLASSIFICATION

~~SECRET~~

SECRET

CENTRAL INTELLIGENCE AGENCY

REPORT

CD NO.

COUNTRY

German Democratic Republic

DATE OF INFORMATION 1950

SUBJECT

Military; Economic - War production

DATE DIST. 20 Jun 1951

NO. OF PAGES 5

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF REFORMATION ACT 50 U. S. C., 31 AND 32.25 AGENCIES. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS WORK IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

DATA ON EAST GERMAN ENTERPRISES PRODUCING WAR MATERIALS

The following report gives July - November 1950 data on production of war materials in the German Democratic Republic.

The Soviet Corporation Nema, Netzschkau, Vogtland, is the former machine-building firm Franz Stern and Son. It is under the Soviet firm Trans-Masch AG in Leipzig, to which about 20 Soviet corporations belong.

Nema is divided into the following sections:

Sections I and II, Apparatus (heating apparatus, milk evaporators)

Section III, Agricultural Machinery (straw presses, but at present
mainly pontoons)

Section IV, Refrigeration Equipment

Section V, Pontoons

The plant employs 40 engineers and 1,600 men and works in three shifts.

The following have been sent to the Soviet Union as reparations:

1948: Milk evaporators, heating apparatus, refrigeration equipment, straw presses, and ventilators valued at 11 million Deutsche marks

1949: The same items, valued at 12 million Deutsche marks

1970: Reparations goods, valued at 16 million Deutsche marks

- 1 -

CONTROL/US OFFICIALS ONLY

CLASSIFICATION

S-E-C-R-E-T

SECRET

[illegible]

SECRETS-E-C-R-E-T

50X1-HUM

In addition to the above, an order was given in 1949 for 700 pontoons. The sheet metal for them came from Sverdlovsk. About four or five carloads of this material arrived each month. Because of material shortages, the order for pontoons was reduced to 500 in 1950.

Each pontoon is 20 meters long and 4-5 meters wide. In 1949 the completed pontoons were [redacted] in Ketschendorf bei Fuerstenwalde. In 1950 they [redacted]

50X1-HUM

All engineers and workers were strictly forbidden to discuss the manufacture of the pontoons.

The manufacture of the machinery and apparatus is often jeopardized by the lack of mercury, ball bearings, aluminum, and particularly special screws and rubber. These materials are purchased in West Germany. Business director Friedrich Weyl travels to the West for this purpose, with an interzonal pass, and has the goods sent to the East Zone through Berlin.

The plant is also in contact with the West Berlin firm I. Rautenberg, Berlin-Charlottenburg, Mommensenstrasse. From this firm it obtains copper strip and all sorts of critical materials. In 1949, a single shipment was said to have amounted to 30,000 Deutsche marks. The firm has orders totaling over 100,000 Deutsche marks for 1950.

In December 1949 the plant received an order to produce propellers. Six sample propellers were made and sent to the Soviet Union. They were reported to have been extremely large. Each propeller had to be loaded on a separate railroad car when they were shipped.

Personnel

Soviet general director: Karras [redacted]

50X1-HUM

In charge of accepting finished products: Engineer Pomogaoff [redacted]
[redacted] Has been at the plant since April 1950.

50X1-HUM

German personnel:

Technical director: Friedrich Walz [redacted]

50X1-HUM

Business director: Friedrich Weyl [redacted]

Chief of Sections I and II: Engineer Walz [redacted]

Chief of Section III: Engineer Neumann [redacted]

Chief of Section IV: Engineer Erdmann [redacted]

Chief of Section V: Name unknown.

Other Data

[redacted] reports that:

50X1-HUM

1. The Schaufuss and Grimm firm in Elsterberg receives cotton from the Soviet Union and produces tent canvas.

2. The Pichtel and Sachse firm in Reichenbach/Vogtland is producing tank wrenches (Panzerschluessel).

- 2 -

S-E-C-R-E-T**SECRET**

SECRET
S-E-C-R-E-T

50X1-HUM

3. The Wolff firm, in Treuen/Vostland, produces 25,000 army rucksacks per month.

50X1-HUM

Engineer Walter Kurth, Leipzig C 1, Gustav-Adolf-Strasse 17, is searching the files of all plants in the East Zone, on orders from the Soviet Trans-Masch AG, Leipzig, for German patents, which he purchases and turns over to the Soviets.

* * *

50X1-HUM

The former Duebel Plant in Loitz/Mecklenburg, formerly a private enterprise which got its name from the fact that it originally manufactured exclusively dovels (Duebeln), wooden screws for railroad ties, is now a people-owned plant. The plant has been producing hand grenades, but this production has now been stopped. At present the expanded plant (one additional workshop) employs 400 workers, who cut poles for field telephones and build wooden beds for the People's Police. Fixtures and control panels of bakelite are also being produced.

Some of the work which does not have to be done in the plant's own shops is subcontracted to independent hand workers. For example, the metal tips for telescoping antennas or field telephone poles are being produced by master plumber Woywood in Loitz.

The military products are shipped through a plant liaison man, so the employees will not learn the destination of the material.

* * *

50X1-HUM

A railroad employee who fled to the West reported that he had learned from an office manager in the Reichsbahn freight office in Aschersleben that a new ammunition factory is being built there. The factory is called, for purposes of camouflage, the Biletter Machine Factory, Aschersleben. The Reichsbahn had to inspect the operational capacity of its spur line during the preparatory work.

* * *

50X1-HUM

It is reported that Zeiss, Jena, is producing A-I trainers. The A-I trainer is used for training pilots. It consists of an aircraft cockpit behind which there is a space for the instructor. Ahead of the cockpit there is a screen on which the trainees conduct their target practice. Checking is done by means of a built-in scoring device and by photography.

The work on developing the trainer has been going on since 1945. Series production began about half a year ago, with an interim order for 200. The following firms deliver parts for the trainer:

- 3 -

S-E-C-R-E-T

SECRET

SECRET

S-E-C-R-E-T

50X1-HUM

RFT (Radio and Telecommunications) Arnstadt and RFT Leipzig -- electric measuring equipment and relays

Gera -- condensers

50X1-HUM

* * *

A steel production setback was reported in the Frankleben steel and rolling mill. With the Martin furnace No II out of production for repairs, the daily production of steel was reduced by 10 tons.

The Siemens-Martin furnace, which finally broke down completely on 8 November, after having undergone minor repairs on 6 November, was supposed to be repaired by 18 November by 42 bricklayers from Thale. It was doubtful whether this could be accomplished. In any event, there would be a production loss of at least 100 tons of steel during this period.

* * *

50X1-HUM

A political refugee, believed reliable, reported on activities in the former ammunition factory at Jueterbog, Old Camp, in October 1949, as follows:

There were about 400 Germans employed at the plant, 80 percent of them women. Most of them were assigned there by the Labor Office. The employees were divided into work groups, depending upon where they lived; thus, there were the following work groups: Jueterbog, Wittenberg, Bardenitz, Treuenbrietzen, and Malterhausen.

50X1-HUM

the Malterhausen group included the villages of Niedergoersdorf, Coelsdorf, Woelmsdorf, Kaltenborn, Lindow, Dennewitz, and Malterhausen. The workers went to work on the railroad, as far as Jueterbog, and were picked up there by trucks. Workers from villages without train connections were picked up directly by auto. The working hours were from 0800 to 1700, with an hour for lunch.

To enter the plant premises, the workers had to have Soviet permits. The first ones were issued by the guard in exchange for the German identification papers; then one could enter the soldiers' quarters and the plant kitchen. The second permit, unlike the first, had a red diagonal stripe. It was issued, in exchange for the first one, by a second guard, but only in the presence of Soviet personnel. The unit which was stationed there at that time had APO No 75 246.

Each work group had its own workshop. The boss was a captain. Other supervisory personnel were a lieutenant and two enlisted men. The work consisted of cleaning ammunition. A group usually consisting of four to six men brought the old ammunition by truck to the workshop and carried the clean ammunition back to the storage bunker.

96 concrete bunkers above ground, 6 large brick warehouses, 15 wooden sheds, and 10 underground bunkers.

50X1-HUM

- 4 -

S-E-C-R-E-T

SECRET

SECRETS-E-C-R-E-T

50X1-HUM

Three or four men did the stacking. The ammunition was cleaned of rust with sand, water, and wire brushes (only very rusty ammunition was given a precleaning by machine); then rubbed with alcohol, stamped, dipped in paraffin, oiled, wrapped in oiled paper, and packed in boxes. It was German ammunition only, for rifles, light mortars, and 3.5- and 5.7-centimeter antitank guns; also 7.5-, 10.5-, and 15-centimeter grenades. For one week only, 22-centimeter grenades were cleaned. Cartridges of these sizes were also cleaned. On an average, there were 30 women doing the cleaning. The norm for a woman was 10-20 per day for smaller shells or 8-10 per day for large ones; for the 22-centimeter size, two per day. Anyone who did not meet the norm got very low pay. The grenades were stacked up to a height of 1.50 meters. The distance between each stack and the wall was one meter. The sheds and bunkers were sealed with paraffin.

Very bad ammunition was blown up on the former target range. A special group spent the entire day hauling ammunition to the demolition area. Then at 1700 hours it was blown up. During the last few months, People's Police trucks came two or three times a week to pick up ammunition. Nearly all of them came from Sachsen. Source could not say what type of ammunition was loaded. The chief of the Muna was a lieutenant colonel, and source estimates the strength of the unit at 300 men. Their weapons consisted solely of small arms. The entire area was guarded by People's Police, who were quartered in the police school. There were four guard patrols around the area, each consisting of 8-10 sentries. Three men changed off with the sentry. Guard was changed at 0200 hours. They had 24 hours on duty and 24 hours off.

The police were inspected by the police guard leaders and by Soviet inspectors. The password was issued every day at 1800 hours. The quarters were connected by telephone with the Soviet office. Each sentry had five rounds of ammunition, four in his carbine and one in his pocket.

In July 1949 most of the men were suddenly discharged. Only two men were left in the Malterhausen work group. No special consideration was given to the women in the work. They had to achieve the same output as the men.

- E N D -

- 5 -

S-E-C-R-E-T**SECRET**